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FOR THE YEAR ENDED JUNE 30, 2002

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**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors
Family Advocacy & Neighborhood Services, Inc.

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of **Family Advocacy & Neighborhood Services, Inc. (FANS)** and the Legislative Auditor, State of Louisiana and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about **FANS's** compliance with certain laws and regulations during the year ended June 30, 2002 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES, CONTINUED**

To the Board of Directors
Family Advocacy & Neighborhood Services, Inc.

Federal, State, and Local Awards

1. Determine the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

FANS's Federal, state, and local award expenditures for the fiscal year follow:

<u>Federal Grantor/Pass-through Agency Grant Name</u>	<u>Grant Year</u>	<u>CFDA No.</u>	<u>Amount</u>
<u>FEDERAL AWARD EXPENDITURES</u>			
U. S. Department of Housing and Urban Development passed through the City of New Orleans. Community Development Block Grant	07/01/01-06/30/02	14.218	\$17,980
U. S. Department of Education passed through the State of Louisiana Safe and Drug-Free Schools	07/01/01-06/30/02	84.186	<u>63,686</u>
Total Federal Award Expenditures			<u>\$81,666</u>

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES, CONTINUED**

To the Board of Directors
Family Advocacy & Neighborhood Services, Inc.

<u>Grant Name</u>	<u>Grant Year</u>	<u>CFDA No.</u>	<u>Amount</u>
<u>State Award Expenditures</u>			
Louisiana Stadium and Exposition District	07/01/01-06/30/02	N/A	\$202,432
Louisiana Children's Trust Fund	07/01/01-06/30/02	N/A	<u>10,000</u>
Total State Award Expenditures			<u>\$212,432</u>
<u>Local Award Expenditures</u>			
New Orleans Recreation Department	07/01/01-06/30/02	N/A	<u>\$100,970</u>
Total Local Award Expenditures			<u>\$100,970</u>

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES, CONTINUED**

To the Board of Directors
Family Advocacy & Neighborhood Services, Inc.

2. For each Federal, state and local award, we randomly selected six (6) disbursements from each award administered during the period under examination, provided that no more thirty (30) disbursements would be selected.
3. For the items selected in procedure 2, we traced all six (6) disbursements for each Federal, state and local award to supporting documentation as to proper amount and payee.

For items selected in procedure 2, the supporting documentation agreed as to proper amount and payee.

4. For the items selected in procedure 2, we determined if the six (6) disbursements for each Federal, state and local award were properly coded to the correct fund and general ledger account.

For items selected in procedure 2, each disbursement was properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, we determined whether the six (6) disbursements from each Federal, state and local award received approval from proper authorities.

For the items selected in procedure 2 each disbursement was approved by the proper authority

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES, CONTINUED**

To the Board of Directors
Family Advocacy & Neighborhood Services, Inc.

6. For the items selected in procedure 2: For Federal awards, we determined whether the disbursements complied with the applicable specific program compliance requirements summarized in the *Compliance Supplement* (or contained in the grant agreement, if the program is not included in the *Compliance Supplement*) and for the state and local awards, we determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed:

For the items selected in procedure 2, all disbursements selected were allowed and complied with specific program/ grant agreement requirements as applicable.

Eligibility:

Not applicable.

Reporting:

Not applicable.

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES, CONTINUED**

To the Board of Directors
Family Advocacy & Neighborhood Services, Inc.

7. For the programs selected for testing in procedure 2, that had been closed out during the period under review, we compared the close-out reports, when required, with FANS's financial records to determine whether the amounts agree.

For the programs selected in procedure 2, the amounts reported on the close-out reports agreed to the entity's financial records, as applicable.

Meetings

8. We examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by LAS-RS- 42:1 through 42.12 (the open meetings law).

Management has asserted that such documents were posted although, we could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas.

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES, CONTINUED**

To the Board of Directors
Family Advocacy & Neighborhood Services, Inc.

Comprehensive Budget

9. For all grants exceeding five thousand dollars, we determined that each applicable Federal, state or local grantor agency/agencies was provided with a comprehensive budget of those grants that include the purpose and duration, and for state grants included specific goals and objectives that included measures of performance.

Prior Comments and Recommendations

10. We reviewed any prior year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

<u>Description</u>	<u>Resolved</u>	<u>Unresolved</u>
Net Asset Deficits		X

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES, CONTINUED**

To the Board of Directors
Family Advocacy & Neighborhood Services, Inc.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of **Family Advocacy & Neighborhood Services, Inc.**, the Legislative Auditor (State of Louisiana and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bruno & Tervalon LLP
BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

December 18, 2002

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Entities)
December 18, 2002_(Date Transmitted)

Bruno & Tervalon LLP, CPAs
4298 Elysian Fields Avenue
New Orleans, LA 70122

In connection with your compilation of our financial statements as of June 30, 2002 and for the In year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of December 18,2002

Federal, State, and Local Awards

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No ☐

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes ☒ No ☐

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes ☒ No ☐

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Yes ☒ No ☐

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes ☒ No ☐

Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes ☐ No ☒

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you

documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

<u>Edwin E. Shelton</u>	Secretary	<u>Edwin E. Shelton</u>	Date	<u>12-17-02</u>
<u>Edwin E. Shelton</u>	Treasurer	<u>Edwin E. Shelton</u>	Date	<u>12-17-02</u>
<u>Joseph J. [Signature]</u>	President	<u>Joseph J. [Signature]</u>	Date	<u>12/17/02</u>